Irregularities by Chairman, Industrial Finance Corporation of India

3449. SHRI GURUDAS DAS GUPTA: Will the Minister of FINANCE be pleas ed to state :

(a) whether the Chairman of the Industrial Finance Corporation of India is substantially interested in a company under the name and style of Ssndhai locking Devices Private Limited as per the explanation to Section 26(2) of the IFCI Act: and

(b) if so, what is the substantial interest of the said Chairman and members of his family in the above private company?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI) : (a) and (b) Industrial Finance Corporation of India (IFCI) has reported that a company under the nams and style of Sandhar Locking Devices Private Ltd., is a registered small scale unit and has been promoted, owned and managed by the son of chairman, IFCI who is a technocrat. The Chairman and other family members have no other interest in that concern. The company having never approached IFCI or its associate bodies or any other All-India Institution for financial assistance, the relevance or application of Section 26(2) of the IPC Act does not arise.

Prohibitive Import Levy on the Import of Blood Bags

3450. DR. YELAMANCHILI SIVAJI : Will the Minister of FINANCE be pleas ed to state :

(a) whether it is a fact that a prohibitive import levy was introduced on the import of blood bags for the sake of a single factory making such bags in the country; and

(b) if so, what prompted Government to take such drastic action so as to protect a solitary indigenous unit?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI) : (a) and (b) Plastic bags for preserving blood and its components | were fully exempted from customs duty till the 13th October, 1988, as such bags were not available from indigenous sources. Subsequently, commercial production of blood bags was commenced by M/s. Peninsula Polymers Ltd., Trivan-drum, a joint sector company. Accordingly, in order to encourage indigenous production, customs duty exemption on such bags was withdrawn with effect from the 14th October, 1988 and a rate of 40% customs duty was prescribed thereon.

Memo issued to M/s. Hindustan Photo-11ms Manufacturing Co. Ltd. by Customs Authorities, Madras

3451. SHRI PRAVAT KUMAR SAMANTARAY : Will the Minister of FINANCE be pleased to state :

(a) whether the Customs authorities at Madras has issued Memo to M/s. Hindustan Photofilms Manufacturing Co. Ltd. demanding about Rs. 110 lakhs for having paid less duty on their various imports of photographic colour paper since they do not possess required industrial licence under the IDR Act for confectioning and slitting; and

(b) if so, what steps Government have taken or propose to take to recover the duty?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI) : (a) Fifty Seven notices for demand of customs duty for a total amount of Rs. 1,48,17,923/- had been issued by the Madras Custom House *to* M/s. Hindustan Photo Films Manufacturing Co. Ltd. pending production of an industrial licence covering their slitting and confectioning activities. The said demands were withdrawn on 11-6-90 after a clarification from the Ministry of Industry that M/s. Hindustan Photo Films have been allowed to carry on slitting and confectioning activities within their overall licensing capacity.

(b) Does not arise.

Delegation sent to Foreign Countries

3452. SHRI SOM PAL : Will the Minister of FINANCE be pleased to state :